Rs. 250 lakhs have been sanctioned in the North Eastern Region during the Xth Plan.

FDI in food processing sector

1952. SHRIMATI PREMA CARIAPPA: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether a section of agro-based food processing companies have been given approval for 100 per cent FDI but the industry in general has expressed its reservations;

(b) if so, whether Government have taken any decision to enact a legislation in this regard; and

(c) if not, what are the main reasons for delay and by what time, a final decision for introducing the legislation would be taken?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) to (c) Government has put in place a liberal and transparent policy on FDI according to which FDI upto 100% is permitted, under the automatic route in most sectors including food processing sector except food retail and items reserved for small scale industrial sector. The FDI scheme is incorporated in the FEMA Regulations. The proposals requiring prior government approval are considered by the Foreign Investment Promotion Board in a time bound manner. The policy is reviewed on a continuous basis for further liberalization/rationalization. Besides putting in place an attractive and investment-friendly policy with a high degree of automaticity, the government has also renewed thrust on the investment promotion front through informative publications on investment opportunities and organizing various investment promotion events in India and abroad in association with industry associations.

New projects/units for food processing

1953. SHRI PRAVEEN RASHTRAPAL: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether many new projects/units have been established during the last five years;

(b) if so the details thereof year-wise and State-wise with the sanction and help of Government;

(c) when the survey was conducted in the State of Gujarat for food processing units; and

(d) the details of survey and utilization of the information so gained?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) and (b) Government provides financial assistance and other incentives for setting up of food processing units. During the 10th Five Year Plan Period, Ministry of Food processing Industries has been implementing a Plan scheme for Technology upgradation/establishment/modernization of food processing industries in which financial assistance in the form of grant-in-aid is provided to all implementing agencies @ 25% of the cost of the plant and machinery and technical civil works subject to a maximum of Rs. 50 lakhs in general areas and 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas including North-Eastern States. The number of Food Processing Units assisted during the 10th five year plan period (year-wise) is given in the statement-I (*see* below). Details of financial assistance provided to the food processing units in the different states during the above period is at statement-II (*see* below).

(c) and (d) A study has been conducted by the Gujarat Agro Industries Corporation for preparation of a master plan for development of food processing industries in the State of Gujarat. The interim report of the Study emphasizes, *inter alia*, the need to implement quality standards, augmentation of supply chain for perishable farm produce and improve linkages between various components of value chain in the food processing sector. On receipt of the final report, further steps will be taken in consultation with the State Government.

Statement-I

Number of Food Processing units assisted by the Ministry during 10th Five Year Plan

Year	No. of FP units assisted
2002-03	72
2003-04	96
2004-05	185
2005-06	266
2006-07 (approved upto 30.11.06)	245

Statement-II

Details of financial assistance provided to Food Processing Units during 10th Five Year Plan (as on 07.12.2006)

(Rs. in lakh)

State/UT	2002-03	2003-2004	2004-2005	2005-06	2006-07
Arunachal Pradesh	43.56	-	-	-	-
Andhra Pradesh	124.74	465.57	797.67	689.80	504.21
Assam	186.68	257.79	245.76	102.67	350.14
Bihar	-	-	25.32	64.22	-
Chhattisgarh	-	-	32.61	98.25	25.00
Delhi	-	-	2.50	36.77	11.77
Goa	-	17.00	25.00	47.58	22.58
Gujarat	27.41	165.85	262.15	370.05	251.59
Haryana	75.00	185.94	183.34	167.04	178.22
Himachal Pradesh	111.36	99.18	75.51	154.48	117.51
Jammu & Kashmir	111.22	108.78	74.78	63.67	42.55
Jharkhand	-	-	-	48.28	25.00
Karnataka	41.85	151.49	425.32	419.73	199.65
Kerala	104.90	192.53	152.86	436.39	359.20
Madhya Pradesh	8.20	88.93	45.62	239.95	95.42
Maharashtra	239.95	529.03	778.67	1,251.94	721.80
Manipur	102.20	108.41	-	11.77	42.86
Meghalaya	19.10	-	12.14	13.26	13.85
Mizoram	-	110.50	12.30	-	-
Nagaland	-	40.75	-	17.35	41.46
Orissa	15.58	-	63.31	22.23	25.00
Pondicherry	-	-	24.54	14.67	-
Punjab	176.98	163.00	538.23	497.67	313.42
Rajasthan	-	86.00	35.83	117.39	309.11
Tamil Nadu	236.54	274.03	310.60	699.68	333.01
Tripura	63.00	33.07	-	-	-
Uttar Pradesh	119.14	263.19	591.76	845.14	295.56
Uttaranchal	-	5.37	87.88	162.71	66.48
West Bengal	163.54	132.96	325.74	400.14	271.08